

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 03 QUITO 000773

SIPDIS

E.O. 12958: DECL: 04/05/2015

TAGS: [MARR](#) [PREL](#) [PGOV](#) [MASS](#) [MOPS](#) [SNAR](#) [PTER](#) [EC](#)

SUBJECT: WELCOME TO ECUADOR, GENERAL MYERS

Classified By: Ambassador Kristie A. Kenney, Reasons 1.4 (b), (d)

1. (U) On behalf of the Mission Ecuador team, General, please accept a hearty welcome to Ecuador. Into your three hour stop we have packed a bilat with GoE President Lucio Gutierrez, a press conference with your joint chief counterpart, and a working lunch with the Ecuadorian high command; the tight schedule unfortunately precludes a visit to the Cooperative Security Location in coastal city Manta, one of the largest U.S. military facilities south of the Rio Grande. In your public and private commentary, we suggest you focus on praising Ecuador's contributions to the War on Drugs and hemispheric security, as evidenced by the buttressing of its border with Colombia and GoE troop contributions to peacekeeping operations (PKO) in Haiti and elsewhere. You and I can discuss on arrival the current political situation and how you might use your public comments to support democracy, dialogue, and stability.

Instability the Norm

2. (U) Few hemispheric nations rival Ecuador for sheer political instability. Since 1996, six or nine (depending how you count) presidents have held office, several deposed on quasi-constitutional grounds. "Fractious" describes Ecuador's political environment; over a dozen parties hold seats in Congress, and some 150 groups fielded candidates in October 2004 regional elections. Instability and Ecuador's endemic corruption go hand in hand, as many victors, believing their time in office brief, endeavor to raid the trough early.

3. (SBU) Ecuador's economy is equally volatile, as bad statistics have leveled administrations and sent presidents into exile. Gutierrez has been fortunate, however, that oil prices have skyrocketed on his watch, permitting the GoE leeway to meet payrolls, pay off political rivals, and reduce debt. The windfall has masked structural inadequacies, however, and allowed postponement of needed reforms. The oil sector is a perfect example, where declining production in government-run fields has kept Ecuador from exploiting petroleum's price rise. Other concerns are the dismal investment climate here, judicial insecurity, and habitual disrespect for contracts.

And Peaking Upon Your Arrival

4. (SBU) You arrive at a difficult juncture, with Ecuador's shallow-rooted democracy again under fire from the nation's numerous, me-first political actors. The current instability could threaten U.S. counter-narcotics and security assistance programs, should a populist "solution" arise. As usual, both government and opposition are attempting to drag us into the debate. Our response? The United States supports Ecuadorian institutions, not individuals, and certainly not one party over another.

5. (SBU) President Lucio Gutierrez took office in January 2003 with popularity ratings approaching 60 percent. The honeymoon was short-lived, however. Owing to the president's turn toward fiscal austerity and his "cozying up" (their term, not ours) to Washington, Gutierrez's left-leaning coalition lasted a scant six months. Since, he's packed and unpacted with parties spanning the spectrum, sometimes to secure legislation packages but mostly to save his own skin. He has reason to: Ecuador's political elites despise the mestizo former Army colonel.

6. (U) Gutierrez looked ready to fall in November, when the opposition attempted to impeach him on suspect grounds. Not only did he survive, though, he mounted a counter-offensive to build a Congressional majority and overhaul Ecuador's highest tribunals, which he claimed were corrupt and beholden to political masters. However, Gutierrez's moves against the judiciary backfired, uniting his opponents in a drive to replace (again) the still-politicized Supreme Court, perhaps taking down the president down in the process.

7. (U) A recent Court decision absolving exiled ex-president and Gutierrez ally Abdala Bucaram further infuriated the opposition. Large disturbances occurred April 5-6, with

protesters clashing with police outside government buildings. The "Assembly of Quito," an ad hoc alliance of disparate opposition elements led by Quito Mayor (and former Ecuadorian Joint Forces Commander) Paco Moncayo, is demanding Gutierrez's ouster, claiming the time for dialog over. Further protests are scheduled this week, and Assembly leaders have called for an April 12 national strike. Gutierrez reportedly considered, but ruled out declaring a state of emergency in response.

Suggestions on Substance

18. (C) Owing to pressing political problems, Gutierrez might be distracted from discussing bilateral pol-mil specifics during your palace call. He is not apt to engage on controversial initiatives, whether Article 98 or Ecuadorian contributions to the coalition against terror. We therefore recommend you raise positive security developments occurring on his watch, from ratcheting up Ecuador's northern border troop presence to capturing and deporting to Colombian FARC leader Simon Trinidad in 2004.

19. (SBU) Prospects for productive talks look better with Admiral Victor Rosero, your counterpart as Ecuadorian joint forces commander. Savvy and U.S.-friendly -- he regularly refers to stints in Newport and Washington as career-making postings -- Rosero understands the changing threats Ecuador faces and the need to confront them. Not the president's favorite, we continue to worry his tenure might be cut short. We therefore hope your joint press availability with the affable admiral raises his public profile.

10. (C) Perhaps his greatest challenge, Rosero seeks to "re-invent" Ecuador's military before his CJCS term ends in 2006. He has welcomed support from the Center for Hemispheric Defense Studies (CHDS), affiliated with the National Defense University in Washington. To ensure success, however, we have endeavored to keep CHDS's participation under the radar, as nationalists would view any U.S. restructuring role as meddling. In your private remarks with Rosero, we suggest you request a readout on re-invention progress and offer continued USG support.

11. (C) Another Rosero initiative is to increase the Ecuadorian military's hemispheric stature via participation in multilateral exercises and operations, especially peacekeeping. Ecuadorian combat engineers deployed to Haiti last November as part of the MINUSTAH contingent. The GoE has renewed its Haiti commitment an additional six months; we suggest you raise PKO in your public comments and ask Rosero privately if Ecuador remains amenable to future contributions. War on Terror operations in Afghanistan and Iraq were unpopular here, however, meaning USG efforts to recruit Ecuadorian forces for Coalition PKO duties there are likely wasted breath.

12. (C) Domestic politics re-appear vis-a-vis security cooperation with northern neighbor Colombia. Plan Colombia is widely misunderstood and wildly unpopular across Ecuador's political spectrum, and "involvement in Colombia" a political third rail. Rosero hopes you not use the term "narcoterrorists" in your public commentary, as Ecuador has not such labeled the illegal armed groups (and he fears backlash from the left). Nonetheless, Ecuador's northern force posture has tripled recently, units are patrolling the frontier's difficult terrain, and there have been no large-scale FARC incursions into Ecuador. Recent media play has questioned the large expense the GoE incurs in the border deployment, however. We therefore recommend you push a "stay the course" message.

13. (C) Had your schedule permitted, I would have liked to show off the Manta Cooperative Security Location (CSL), a counter-narcotics U.S. Forward Operating Location on the Ecuadorian coast. On-line since September 2002, CSL-launched aircraft have provided intelligence contributing to numerous drug-runner takedowns. The facility will never be popular here, especially among elites -- what Latin American nation wants foreign troops on its soil? -- but interagency efforts have resulted in a great increase in CSL acceptance. The agreement granting us use of Manta expires in 2009; while we've received no instructions to renegotiate, we are attempting to reduce barriers to successful talks.

14. (C) "All Ecuador wants a Manta," Rosero has told me privately, referring mainly to the economic renaissance the city has enjoyed since the CSL's establishment. Coordination improvements between Ecuadorian and U.S. air forces is also a source of pride, and our hosts are considering a formal request that CSL aircraft gather northern border intelligence for GoE use. Hoping to keep the public spotlight off the facility, however, Rosero wishes you minimize its reference in your public comments. I have some ideas on how we can meet his request while still "selling" bilateral Manta

benefits.

15. (C) I cannot avoid mention of Article 98. Few efforts have frustrated similarly; the Embassy initiated Article 98 discussions before my arrival at post, yet is no closer to a deal now than then. Reasons are many, ranging from Ecuador's counterproductive sovereignty concerns to a December 2002 shooting involving an official American that called into question foreigners' immunities. We've targeted various pressure points for our lobbying effort, including the Foreign Ministry, armed forces, Congress, and Gutierrez himself. The diplomats and legislators ignore our entreaties, the uniforms claim it's a diplomatic matter, and Gutierrez says he wants a deal, but has yet to energize his negotiators.

16. (C) We continue to re-think tactics and approach fresh interlocutors. That said, I see little hope until the president nears the end of his term (2007). As Ecuador's constitution prevents consecutive re-election, a lame-duck Gutierrez might prove receptive to signing Article 98. Meanwhile, ASPA sanctions, especially those restricting U.S. training opportunities (IMET), are costing us influence with the Ecuadorian military. Rosero is hoping that limitations on IMET be lifted and will be interested in hearing your views.

KENNEY